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SOURCE Hsing-tao Jih-pao.

CHINESE COMMUNISTS PUSH DEVELOPMENT
OF HAINAN RUBBER INDUSTRY

Canton, 29 June -- As a countermeasure against the economic blockade, the Canton People's Government has designated a large sum of money for the development of the Hainan rubber industry. Representatives have been sent to various South Seas islands to encourage experienced overseas Chinese to return to China for large-scale rubber planting on Hainan. The Hainan Military and Administrative Committee has already recruited a large number of workers from Kwangtung to clear land and start planting trees in the rubber-producing areas of Wen-ch'ang, Teng-man, Na-ta, and Shih-pi. Generous expenditures will be made for existing rubber plantations and for additional plantings. Collection of taxes will be suspended for 3 years on land planted in rubber trees. After technical improvements are made, the quality of the product should equal that of Malayan rubber.

The Kwangtung Provincial People's Government will exercise special control over all Hainan rubber production, allowing no private buying, selling, or shipping.

After consultation with Soviet advisors, the Central and South China Ministry of Industry set up rubber factories in Chia-chi and Hai-k'ou with Soviet-supplied machinery. These factories are to manufacture rubber shoes, raincoats, gloves, and other products, especially for the military. Many of these goods have already entered Kwangtung. Since the economic blockade, the production of automobile tires has been given priority. The machines of Yü-lin Rubber Plant No 2 have already been assembled and production has started on inner tubes, diving suits, military rubber boots, large rubber tubing, military raincoats, and all military medical necessities. After full expansion of this plant, it is expected that production will double.

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